

Combined Power System Statements of Cash Flows

Years ended September 30, 1998 and 1997
(In thousands)

	1998	1997
Cash flows from operating activities:		
Net revenues (deficit)	\$ (119,084)	87,211
Adjustments to reconcile net revenues (deficit) to net cash provided by operating activities:		
Depreciation	218,591	94,689
Interest on Federal investment	179,711	169,827
Write-off of assets	11,120	—
(Increase) decrease in assets:		
Accounts receivable	17,635	(41,010)
Other assets	(60,517)	(15,537)
Increase (decrease) in liabilities:		
Accounts payable	(2,929)	(2,734)
Other liabilities	56,587	14,159
Net cash provided by operating activities	301,114	306,605
Cash flows used in investing activities -		
investment in utility plant	(57,101)	(59,949)
Cash flows from financing activities:		
Congressional appropriations	272,679	220,743
Funds returned to U.S. Treasury	(524,796)	(493,226)
Principal payments to upraters	(1,993)	(1,744)
Net cash used in financing activities	(254,110)	(274,227)
Decrease in cash	(10,097)	(27,571)
Cash at beginning of year	285,007	312,578
Cash at end of year	\$ 274,910	285,007

Supplemental Schedule of Noncash Investing and Financing Activities

Transfer of construction work-in-progress to completed plant	\$ 46,603	183,004
Capitalized interest during construction	(2,845)	18,278
Transfer of certain utility plant costs to other assets	14,036	—

The accompanying notes are an integral part of these combined power system financial statements.